

STATE OF WISCONSIN  
DEPARTMENT OF HEALTH AND SOCIAL SERVICES  
DIVISION OF MANAGEMENT SERVICES  
BUREAU OF FISCAL SERVICES

ACCOUNTING PROCEDURE

TOPIC: Section 4--Receivables Receivables 5.2	ISSUE DATE: 4/5/96
TITLE: Annual Report of Receivables -- Institutions and Divisions	REVISION DATE:
AUTHORIZED BY: Cheryl Thompson, Deputy Director Bureau of Fiscal Services	PAGE 1 OF 5

**BACKGROUND**

We are required, under the provisions of Section 13.94(1)(g) of the Statutes to submit a report of receivables, as of June 30, each year to the Legislative Audit Bureau (LAB). For FY 96 and thereafter, the format of the LAB annual report on receivables will be based on the quarterly report format and reporting categories specified in APP **Receivables 5.0**.

This change will allow the annual report on receivables to be generated automatically if the OPRA (Office of Audit and Program Review) software template is used to generate quarterly receivables reports for **all** four quarters of FY 96 and thereafter. (If your organization does not use the OPRA template, receivables data for the fiscal year will need to be compiled and reported on Attachment 1 of this bulletin.)

The outstanding receivables for unreimbursed federal grant expenditures will be prepared by the Program and Federal Accounting Section, Bureau of Fiscal Services (BFS).

**POLICY**

1. An annual report of receivables must be submitted to the Bureau of Fiscal Services no later than July 31 annually. A fourth quarterly report (See APP **Receivables 5.0**) is also required by the Department of Administration
2. Organizations are required to indicate on Attachment 2 of this bulletin if the receivable balance is on FMS or is not on FMS. Non-FMS reports are to be used for institution canteen and resident account receivables and for the **very rare** instances where receivables are not recorded on FMS.
3. Please pay special attention to the meaning of the June 30, 199X date. The report of receivables will be based on June 30, 199X data as of June 30, 199X and not June 30, 199X as of the July 31 cut-off date. As a result of this definition, the following concepts need to be brought to your attention:

- a. All receipts earned and not yet received as of June 30 must be included in this report. Receivables applicable to the month of June, even though established in July, are to be included in this report. It is advisable, therefore, to record as many June receivables as possible on FMS before the June cut-off.
- b. Only payments received in your respective offices as of June 30, 199X are to be reflected as a reduction of existing SFY 199X receivables.
- c. All SFY 199X receivables reduced by payments received after June 30, 199X are to be reported as outstanding receivables on this report.

#### **PROCEDURES**

1. The format for the annual report on receivables (DMS-900) is given in Attachment 1. This format is identical to the quarterly receivables report format except for the amount of deposits for the first month of the subsequent fiscal year, period July 1 through July 31, 199Y. Note that the annual receivable report is no longer broken down by appropriation and FMS account. Complete one form for each reporting category for your organization as listed on Attachment 2 of **Receivables 5.0**.
  - a. Complete columns for beginning balance, charges, adjustments, collections, write-offs, and ending balances. Include the appropriate fiscal year wherever indicated on the form.
  - b. The description of the types of receivables should correspond to the specific reports listed in Attachment 2 of **Receivables 5.0**.
  - c. Use June 30th FMS reports received in July to complete this form.
  - d. Some non-CARS receivables may be currently recorded in the 900 appropriation. Non-CARS receivables are the responsibility of the program division to report according to the categories listed in Attachment 2 of **Receivables 5.0**.
  - e. For the annual report of receivables, the beginning balance must tie to the prior-year ending balance as previously reported, or an appropriate FMS adjustment or reconciling item made.
2. Any deposits made to the current fiscal year that were received by your organization after June 30 are to be reported on the line, **Amount of Deposits 7-1-9Y** through the July cut-off date, where 199Y is the subsequent fiscal year. This information is mandatory and required for GAAP reporting to the Department of Administration.
3. Please prepare and forward a detail listing of the receivable balances for each reporting category. On the detail listing, provide by **appropriation and project**, the invoice number, the name of the debtor, the amount, and the account classification. The detail amounts should be totaled by appropriation and project. This information is mandatory for the annual report.

4. In early August, you will receive FMS reports showing the account receivable balances for June 30, 199X as of the July cut-off date. It is mandatory that you reconcile the accounts receivable data shown on this report to the detail of your receivables and to the data shown on the LAB report of receivables. Detailed instructions for the reconciliation and a recommended reconciliation format are provided in **Receivables 5.3**. Entries to FMS are to be made in accordance with requirements of **Year-End Reconciliation Bulletin--Time Table for Reconciliation Process**.
5. Institutions and divisions who do not have receivables are required to indicate such information on the report submitted to BFS.
6. When the annual report on receivables and the accounts receivable reconciliation are completed, the accounts receivable certification is to be signed. See Attachment 2 of this bulletin.
7. Submit three (3) copies of the LAB report and one copy of the detailed accounts receivable listing to be received no later than July 31 annually to BFS, Attention: Assefa Checol. The BFS FAX number is (608) 264-9874.
8. Retain a copy of the forms and detail for your files. If the LAB report of receivables is in error, please submit a revised copy to be received by BFS no later than August 25, 199X.

#### **ATTACHMENTS**

- 1 Annual Report of Receivables
- 2 Accounts Receivable Certification

#### **REFERENCES**

**RECEIVABLES 5.0 (Accounts Receivable Aging Reports)**

**RECEIVABLES 5.3 (Reconciliation of FMS Accounts Receivable Balances to Annual Report of Receivables)**

#### **CONTACT PERSONS**

Amy McDowell, Chief  
Institution and Administrative Accounting Section  
(608) 266-2708

## ANNUAL REPORT OF RECEIVABLES

REPORTING ORGANIZATION: \_\_\_\_\_ PERIOD: July 1, 199\_\_

through  
June 30, 199\_\_

DESCRIPTION OF RECEIVABLES: \_\_\_\_\_

FISCAL YEAR OF ORIGIN	(1) BEGINNING BALANCE (July 1, 199__)	(2) CHARGES	(3) ADJUSTMENTS	(4) COLLECTIONS	(5) WRITE-OFFS	(6) ENDING BALANCE (June 30, 199__)
GREATER THAN 6 YEARS						
FIVE TO SIX YEARS						
FOUR TO FIVE YEARS						
THREE TO FOUR YEARS						
TWO TO THREE YEARS						
ONE TO TWO YEARS						
181 TO 364 DAYS						
91 TO 180 DAYS						
1 TO 90 DAYS						
TOTAL						

Prepared by \_\_\_\_\_ Date \_\_\_\_\_ Reviewed by \_\_\_\_\_ Date \_\_\_\_\_

Amount of Deposits 7/1/9\_\_ through the July Cut-off Date  
(Deposits for First Month of Subsequent Fiscal Year)

**ATTACHMENT 2**

Accounts Receivable Certification

I certify that all accounts receivable balances on the attached Reports of Receivables are true and correct to the best of my knowledge. All FMS accounts receivable balances have been reconciled to FMS accounts, and any adjusting entries have been made. If receivables are not recorded on FMS, please indicate the reason below:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date